

Strategies Management for Mass Customization in the Apparel Industry: Case of Market Demand and Risk in China

Junjie Wu^{1,a,*}

*¹Department of Government Administration, Shanghai University of Political Science and Law
Shanghai, 201701, China*

a. gaixiu@ldy.edu.rs

**corresponding author*

Abstract: With the development and adjustment of the industrial structure, the manufacturing industry, especially the transformation and upgrading of the apparel industry, is crucial for China's high-quality economic development. This paper studies the strategies of cooperation, consumer demand response, and risk identification and control in the mass customization market of the Chinese apparel industry. Firstly, it explores the co-creation strategies among enterprises in mass customization, analyzing cases of efficient resource allocation and cooperation in excellent apparel companies. Secondly, from the consumer behavior perspective, it studies how companies meet personalized needs through combined online and offline marketing models and brand positioning strategies. Finally, analyzing the supply chain, consumers, and internal aspects of enterprises, the risk factors in the mass customization market are identified, and corresponding pre-control measures are proposed. This study aims to provide management suggestions for apparel enterprises in the wave of mass customization, helping small to medium-sized enterprises (SMEs) face market challenges and improve operational efficiency and market competitiveness.

Keywords: Mass Customization, Apparel Industry, Supply Chain Cooperation, Risk Management

1. Introduction

With the development of the times, the industrial structure is subsequently adjusted. As an important part of the real economy, the manufacturing industry is also placed in an important position. As one of the pillars of China's manufacturing industry, the transformation and upgrading of the garment industry is an important part of China's economy to achieve high-quality development, and mass customization of garments has emerged [1]. It tends to use modern business operation ideas to quickly and efficiently meet consumers' personalized needs, and its combination with the necessities of life clothing is a collision between the manufacturing industry and the intelligent transformation of enterprises, which is also worthy of our further exploration.

Based on the above background, this paper mainly researches three issues: firstly, it discusses the cooperation and co-creation strategy among enterprises facing mass customization and mainly elaborates on it with the cases of excellent garment enterprises' efficient and reasonable resource allocation and cooperation; secondly, it researches the methods for enterprises to respond to the consumer demand and customer relationship efficiently, and mainly conducts case analyses from

different perspectives on the enterprise management of famous enterprises and the docking mechanism of downstream customers; finally, it identifies the risks in the mass customization market of China's garment industry, and supports the analysis, judgment and future outlook of China's garment industry with specific data and analysis, and puts forward risk control countermeasures.

These three issues contain the upstream, midstream and downstream of China's garment industry mass customization market and its macro assessment and identification, with certain practical significance. This paper for the apparel industry's personalized customization trend of case summarization and analysis can be ready to step into the wave of mass customization of small and medium-sized enterprises to provide a certain reference role. Finally, the big data era of China's apparel industry mass customization market risks identified and summarized, but also expects to be able to engage in current China's apparel mass customization business enterprise operation can provide reference to the improvement of the proposal.

2. Co-operation Strategies in the Apparel Supply Chain

In the apparel supply chain, cooperation between enterprises is essential. As an enterprise, the most efficient way to obtain benefits is through cooperation and an essential part of the apparel supply chain system [2].

Whether or not supply chain members choose to partner with each other is fundamentally determined by the purpose of each party in the supply chain [3-5]. If the transaction between a supplier and a manufacturer is one-off and the differences in benefit objectives predominate, each party will also seek to maximize the benefits of a single transaction. However, if the transaction is ongoing and unity in the goals of interest is the dominant conflict, this cooperation will continue. Therefore, each transaction and cooperation is also a preparation for the next time; the interests of the same will be gathered, and the interests of different will be dispersed.

From the supplier's point of view, adopting a cooperative attitude may be contrary to the objective of maximizing short-term benefits, but it is consistent with maximizing long-term benefits. From the manufacturer's point of view, the supply of raw materials is a key factor in the acquisition of production. Suppose uncooperative actions are taken against the supplier for short-term benefits. In that case, the supplier's or other suppliers' trust will be lost, which is contrary to the acquisition of long-term benefits. Therefore, even though both parties in the supply chain have an egoistic mindset in single cooperation, in the long-term game, both parties want to cooperate and win-win in pursuit of longer-term and richer benefits to achieve Pareto optimality [6].

Rohit Aggarwal, Global Vice President of Apparel and Home Textiles, Huntsman Textile Effects, a leading global upstream supplier of chemicals, analyzed the insights of achieving win-win cooperation and promoting the completion of the supply chain from multiple perspectives, including relevant products, professional expertise, technological innovations, and coordination among all parties to promote the virtuous circle of the supply chain. He said that suppliers are not the same as sellers but should be partners throughout the supply chain to create a sustainable future for the supply chain. The Productivity Improvement Programme (PIP) project also allowed more delegates to learn about Huntsman Textile Dyeing's advanced supply chain sustainability strategy during the 'Technology Productivity in the Supply Chain' mini forum.

As an excellent supplier of knitted fabrics, Fountain Set (Group) Limited has established a scientific management and cooperation strategy in supply chain management. Dr Yu Jianming, as a senior manager of the R&D department, has compiled the basic conditions to be an ideal supplier based on Fountain Set's experience: i.e., large-scale production, abundant products, excellent service, efficient management, stable finance, innovation capability, sales network and reasonably laid-out production facilities. Among them, product quality, innovation ability, and marketing are the core elements of maintaining the sustainable competitiveness of suppliers [7].

3. Apparel Brand Marketing Strategies from a Consumer Behavior Perspective

3.1. Clear Positioning of the Enterprise Brand

Today's apparel enterprises are seriously homogenized, so if people want to stand out, it is very important to position yourself clearly and tell the brand characteristics. The recognition of the enterprise brand is very important, and it is necessary to let consumers have recognition of the goods, first of all, to have recognition of its brand. On this basis, they play their brand characteristics, highlighting brand advantages. In a certain field of clothing, if it is not possible to reach the first echelon, finding another way to show their characteristics may be worthwhile. At the same time, it is also possible to add the business philosophy, tell the story of the enterprise, and convey the spirit and culture in the clothing to play the brand effect.

Fashion brand ESPRIT for the youth audience, with a 'care about the mind rather than age' brand concept to show their characteristics. ESPRIT's clothing will be young, lively, and fun in design to play their brand characteristics. Fujian's JINBA men's clothing chose 'jacket' as its clothing logo, 'leading China's jackets to the world' as its goal, highlighting the unique characteristics of the enterprise's clothing. With the settlement of 'The National Garment Standardization Technical Committee Jacket Working Group' and 'China Jacket Colour R&D Base', JINBA has gradually completed the shaping of its own brand culture [8].

3.2. Adopt "Online + Offline" Mode

Online clothing sales have been commonplace in the Internet era, but how to do a good job of online and offline coordination to maximize the benefits is still an ongoing discussion of the enterprise.

DAYANG Group's mass customization has become one of the models. They found that the lack of uniformity in the standards of online clothing has also led to the uneven quality of clothing. Therefore, the combination of online and offline marketing modes of promotion can effectively realize offline fitting, customization and online purchase; at the same time, it can also use the Internet's breadth of dissemination and rapidity to increase brand awareness and influence effectively. With this, DAYANG Group adopts an 'online + offline' mode to deliver targeted consumer services. Based on the customized information system and intelligent, customized clothing system, DYG helps consumers to understand the details of clothing user preferences, give suggestions online, and then submit the order to the back office after customizing according to fabrics, patterns, prints, styles, etc., to realize an efficient, high-quality and personalized mass customized production mode.

In addition, Koot Group is one of the pioneers of the mass personalized clothing customization model. They are based on the C2M model (Customer -to- Manufactory), i.e., one end of the supply chain is connected to the manufacturer and the other end is connected to the consumer, which reduces the intermediary links such as inventory, logistics, general sales, distribution, etc., and cuts down the storage costs including warehouses, so that the users can buy higher quality products at a lower price. Kooter connects consumers and factories at the Customer and Manufactory ends to produce personalized garments customized by consumers. Simultaneously, it uses the zero-inventory feature of the C2M model to reduce the risk of business operations. Consumers place orders online for personalized customization, realizing one person, one ver solving the problem of offline pattern and size limitations, and efficiently and accurately meet consumer demand [9].

3.3. Implementation of Integrated Marketing Communications

According to the marketing area segmentation. The target market for marketing publicity is graded, for example, into one, two or three markets, with 50 percent of the resources used to expand the first level of marketing communications, 30 percent to expand the second level of the market, and 20

percent to expand the third level of the market. Thus, the influence is gradually broadened from the primary to the tertiary level.

Segmentation based on space and target population. First, according to China's geographic location factors and development speed, the main consumer groups will be divided into developed and underdeveloped regions. Clothing companies can be based on the climate of different regions, purchasing power, and other factors divided into high-grade, mid-range and low-grade clothing categories.

In addition, consumer groups can be subdivided according to their consumption habits, ability, social class and aesthetic requirements. For example, consumer groups can be divided into social elites, businesspeople, teachers, doctors, civil servants, engineers, students and ordinary consumers. Elite social groups have strong consumption ability, desire, and high aesthetic requirements, so they should correspond to high-grade clothing. Businesspeople, teachers, doctors, civil servants, engineers and technicians have strong consumption abilities, desires and aesthetic requirements and choose more mid-range clothing. Students and the ordinary consumer class have more fixed demand for clothing and lower economic levels, so choosing medium and low-grade clothing is the norm. According to this, segmentation will be roughly divided into three categories of consumers, prompting enterprises to target production according to their situation and corporate value. For example, Aimer (underwear) Group's La Clover brand is aimed at high-end consumers; Aimer brand is aimed at the more mature middle- and high-end consumers; imi's brand is aimed at relatively young consumers; and Shine Love brand is aimed at students and network consumers. Such segmentation makes clothing purchasing a win-win situation, thus promoting the next round of finer consumer classification and clothing production [10].

4. Risk Identification in the Mass Customisation Market in the Garment Industry

4.1. Multi-angle Analysis of Risks and Challenges

In today's China, the apparel mass customization market faces many risks and challenges in its development. This paper will analyze them from three perspectives: consumers, enterprises and supply chain. First of all, mass customization requires consumers' participation, and enterprises must provide differentiated services according to consumers' wishes and provide positive and effective personalized guidance when consumers are shopping. This interaction not only enhances consumers' participation but also increases their satisfaction.

Secondly, customized products are characterized by uniqueness and specificity, making secondary sales difficult and increasing costs for enterprises. Therefore, enterprises should collect information more carefully before customization and fully satisfy consumers' individual needs to improve their satisfaction and solidify cost control. In this way, companies can meet consumers' needs while avoiding financial losses due to the inability to re-sell their products.

Finally, supply chain choices significantly impact consumer satisfaction and firm revenues for mass-customized apparel firms. An efficient supply chain can help firms gain a competitive advantage in the market and thus win revenue. In addition, the rational use of a delay strategy can reduce the prediction risk, including production and logistics delays. Not producing too early before the customer's clear demand and producing the right quantity and quality of products at the right time for the specific demand can help to reduce unnecessary inventory and waste and improve the efficiency of the supply chain.

4.2. Risk Identification and Pre-control Countermeasures

This study will analyze risk identification from four perspectives: risk factors, risk triggers, risk consequences and risk pre-control countermeasures. Firstly, risk factors include strategic, cooperation,

demand, and capacity risks. Each risk factor corresponds to specific risk triggers, consequences and pre-control countermeasures [11].

Risk triggers are multi-faceted. For strategic risks, there is a mismatch between the core firm's strategy and the supply chain's strategy, a mismatch between the strategies of supply chain member firms, and incomplete information sharing. The triggers of cooperation risk include negative cooperation attitudes, untargeted contract terms or non-fulfillment of contract terms, unreasonable distribution of benefit mechanisms, and limited rationality of enterprises. Demand risk arises from the high demand for flexibility due to changes in demand, poor communication, faulty identification of demand, fluctuating demand, competitive product impact, and low customer loyalty. Capacity risk is reflected in large gaps between firms in organizational structure, technological level, corporate culture, staff quality, information base, etc., as well as products that do not meet demand, defective quality, and high supply chain costs.

These risk factors and triggers can lead to various serious risk consequences. Supply chains need to function properly, be more competitive, have higher transaction costs and be more responsive to the market. Partners' evasion of responsibility, unilateral breach of contract, fraud, "lazy" behavior, and disintegration of the supply chain. With low cooperation efficiency and a low investment recovery rate, enterprises are bound by the supply chain, loss of adaptability, and low supply chain flexibility. Inability to recover the investment, short product cycle, overcapacity of the supply chain, and the decline in market share of product families. Loss of customers, supply chain losses, supply chain lack of competitiveness.

This study proposes a series of risk pre-control countermeasures in response to the above risks. First, strategic planning should be done, market opportunities and core competencies should be fully identified, and partners should be selected scientifically. Core enterprises should establish a trustworthy self-image and trust mechanism, and partners should be selected by examining their credit records and economic strength and adopting dynamic contracts. At the same time, it should establish monitoring inspection and incentive mechanisms, formulate win-win distribution programs among enterprise members and establish diversified communication channels. Supply chain management requires a coordination system, with core enterprises leading and making timely adjustments to supply chain cooperation. In addition, it is necessary to make a good investment analysis, fully grasp the market, reasonably plan process design, improve the adaptability of processes and procedures, strengthen quality management, reasonably organize production capacity, and shorten the payback period.

5. Conclusion

In the 21st century, businesses face constant challenges, and finding ways to thrive in the market is crucial. This study focuses on the Chinese apparel market and the trend of mass customization, using case analysis, empirical analysis, delay strategy, and risk identification to summarize the core strengths of successful apparel companies and how they meet consumer and customer demands. The aim is to guide apparel management and SMEs entering the mass customization wave and offer useful suggestions for managing mass customization businesses in China. The study highlights the importance of cooperation in the supply chain, emphasizing that long-term collaboration and shared interests are key to achieving optimal outcomes. Through examples of well-known companies, it shows how innovation and effective coordination can lead to a positive supply chain cycle. In terms of brand marketing, the research discusses how clear brand positioning, combining online and offline marketing, and integrated marketing communication strategies can enhance brand recognition and impact. Lastly, it analyzes risks and challenges in the mass customization market from the perspectives of consumers, companies, and supply chains. It proposes pre-control measures such as strategic planning, partner selection, quality management, and capacity organization. This study

provides valuable insights and practical suggestions for the Chinese apparel industry's mass customization market, aiming to help businesses compete effectively in the future.

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